DPM Reduction at the Stillwater Mine

Early Stillwater Work

- The Stillwater Mine tested many technologies during the Isozone Studies.
 - Some techniques worked, some did not or were marginal
 - Some not desirable
 - No "one size or type fits all"

Stillwater then concentrated on a few items as part of a complete package (Integrated Approach) to reduce DPM exposure.

- Increase ventilation to the mine (completed before most Isozone studies)
- Engines (Electronic Engine or Governor Retrofits)
- Exhaust Treatments
- Bio-Diesel Blends
- Reduce diesel-powered mining techniques

Improved Ventilation

- Change ventilation design to improve air to miners by increasing dilution
 - Replaced series ventilation paths with parallel ventilation paths
 - 600k to 1.0M SCFM Completed by Q2-'02
 - 1.0M to 1.3M SCFM planned for completion by Q4-'07
 - Changed auxiliary fan standard to provide engineered duct-to-fan fit for better efficiencies

Direction of Main Efforts

Early investigation determined that three fleets contributed equally to Stillwater's DPM loading, providing a method of attack

- First Group Attacked 28 Unit Muckhaul Fleet
 - Then 22 Trucks & 6 Locomotives
 - Now 23 Trucks & 6 locomotives
- Second Group Attacked 77 Unit LHD Fleet
 - 77 Units originally in 6 different classes
 - 73 Units in 5 classes, soon to be 4 classes
- Third Group Attacked 180 Unit Utility Fleet
 - Multiple types, sizes & variations

Engines (Electronic Controls)

- Electronic engine & governor retrofits
 - Provide better fuel control
 - Easier to tune
 - Stay in tune longer
- Electronic governors available for part of our Deutz fleet
 - Peaked at 54 units
 - Currently at 47 units reduction due to electronic engine replacement
- Currently, 68 Electronically-controlled Engines (13 are Tier 3)
- Total electronic engine controls in service
 - Muckhaul Fleet fully treated at 3 governors & 26 engines
 - LHD Fleet has 20 governors & 33 electronic engines
 - Utility Fleet has 24 governors & 8 engines

Engines (Tuning)

- Maintain engine tune for best emissions
 - Keeps DPM at its lowest
 - Reduces DPM loading in DPF's
- **EECOM** for gas analysis
- Smoke Dot for PM indicator
- Train mechanics on components affecting DPM
- Emissions testing on a 28-day cycle

Exhaust Treatments

- Electronic engines & governors showed minimal reduction and not available for approximately 3/4 of Stillwater's equipment.
- Stillwater's main direction towards exhaust treatments.
 - Muckhaul fleet 1st Group Attacked
 - LHD Fleet 2nd Group Attacked
 - Utility Fleet 3rd Group Attacked

Exhaust Treatments First Group Attacked

Muckhaul Fleet - Trucks & Locomotives

- High duty cycle & small number of equipment
- The "perfect" application for passive DPF's
 - Catalyzed DPF
 - 19 MTI1604 haul trucks with Engelhard Sootfilters
 - 4 20-ton Brookville Loci's with Engelhard Sootfilters.
 - Base Metal (non-catalyzed) DPF
 - DCL Mine-X[®] BM on fou Cat AD30's
 - Excellent Duty Cycle EGT's >900°F
 - Lower NO₂ production as well as DPM regeneration.
 (Recent field measurements No detectable NO₂ behind two running trucks)

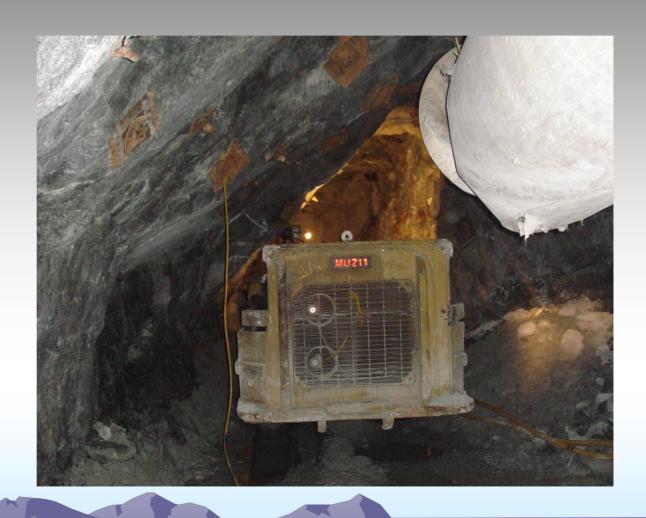
Exhaust Treatments Second Group Attacked

LHD Fleet - Large duty cycle variability

- Passive DPF's promising 55 of 73 units
 - 43 passive DPF's (MTI LT270 Cat/Elphinstone R1300) 33 Engelhard & 6 DCL Mine-X® Sootfilters
 - 12 ESW Particulate Reactors TM (older MTI LT210 & LT270's that had low duty cycles and rapid plugging of DPF's.)
- Disposable filters 21 units (Historical)
 - High Hp and narrow vein size negate practicality
 - Not cost effective due to logistics for quantity
 - Blow out if operators do not change often
 - Removed by Q3-06 due to fire hazard

LHD in Stope X-Sec

- Example of Stillwater's production area.
- No room
 outside engine
 compartment
 for exhaust
 treatments



Exhaust Treatments Third Group Attacked

Utility Fleet consists of roughly 180 Units, with wide ranges of duty cycles and mostly low hp.

- Eight "medium" duty cycle equipment
 - Five delivery vehicles with dedicated number of operators have DCL Titan TM active, catalyzed DPF's that operate in passive mode with operator efforts for high EGT's.
 - Three motor graders have Engelhard passive DPF's
- Remainder of fleet have "Flow Through Filters" utilizing metal substrates.

Flow Through Particulate Filters

- Initially, ceramic DPF's resulted in blown engines or plugged filters, or both.
- Needed a filter with lower backpressure and less chance of plugging
- Stillwater found two products with promising results:
 - ESW Particulate Reactor[™] (also called M CAT[™])
 - DCL Mine-X[®] Ultra
- These filters are less DPM efficient than ceramic DPF's
 - Reactor efficiency currently at 30%
 - Newer generation & Mine-X® Ultra claim efficiency >50% with ULSD.
 - Metal substrate low thermal time constant
 - Catalyzed, passive, low backpressure filter
 - Both manufacturers will install within factory muffler

Rypos Active On-Board DPF

Elphinstone R1300's & Ceramic DPF's

- DPF's worked (within reason)
 - Fueling rate too easy for miners to "adjust"
- Need an alternative immune to fueling rates
- Rypos electric, active on-board DPF
 - '07 MSHA testing suggests +90% DPM reduction
 - Environment Canada suggests +90% DPM reduction combined with NO₂ reduction
 - Expect complete installation by June 30, 2007

Bio-Diesel Blends

Isozone Studies and Stillwater experience determine that Bio-Diesel is the only alternative fuel providing DPM reduction

- Summer '05 B5, B10 & B20 showed measurable reductions in discrete area of mine & no operational issues.
- Summer '06
 - B20 blended with #2 ULSD in complete underground
 - B50 & B99 in one captive LHD stope
 - Miners noticed improvement in their work environment
 - Noticeable change from B20 to B50 in Area & Personal samples
 - Not as noticeable a change from B50 to B99
 - Local Vendor stopped providing due to worries about gelling in his tank farm.
- Spring '07
 - B20 blended with ULSD #2 in early April
 - B50 with ULSD #2 on April 30
- Stillwater is developing storage facilities for winter use of ≥B50
- Stillwater currently has a few issues with Bio-Diesel
 - Winter delivery to the minesite & finding supply for year round consumption.
 - Engine manufacturers do not currently approve of bio-diesel greater than B5 (Cummins has some classes of engines approved for B20)

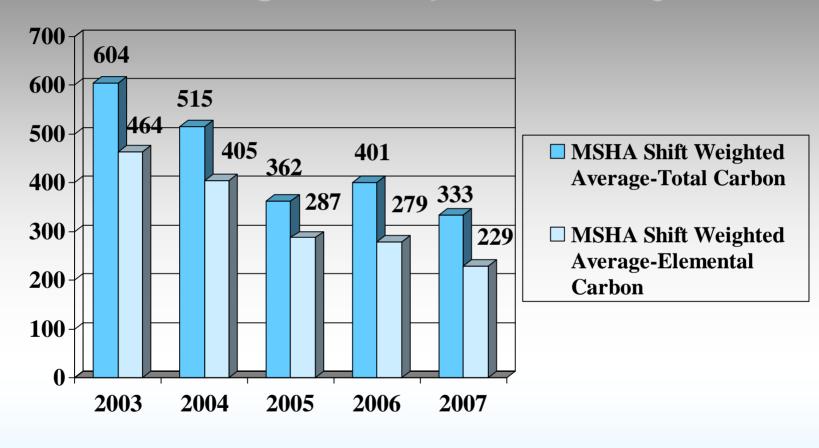
Reduce Diesel-Powered Mining Techniques

- Electric power for haulage and some production areas to reduce diesel engines
 - 3500 Rail Haulage with battery locomotives removed the need for 5 haul trucks on one level
 - Future 2000 Level with battery locomotives to feed Kirunas
 - Future ABB Kiruna Trucks (Trolley-powered trucks)
 - Coupled with battery locomotives to deliver ore & waste from lower levels up to production hoist.
- Captive slusher mining
 - Convert 25% of production mining to captive slusher mining techniques

Results

- By Q2-07 the Stillwater Mine installed 181 exhaust treatments
 - 5 Active DPF's operating passively (DCL Titan ™)
 - 73 Passive (including three Base Metal units)
 - 102 ESW Particulate Reactors ™
 - 1 DCL Mine X[®] Ultra
- Complete treatment of Muckhaul fleet reduced DPM by 1/3 at the Stillwater Mine
- Few passive DPF applications left.
 - Remaining applications will mostly be flow through filters with lower DPM efficiencies

2003-2007 YTD Average Sample History



Final Comments

- Has Stillwater had success?
 - Passive DPF's on Muckhaul Fleet reduced overall DPM by 1/3.
 - Passive DPF's on majority of LHD fleet.
 - Bio-D blends even with infrastructure difficulties.
 - Electrical-powered haulage & captive slusher stopes to replace diesel power
- Have Stillwater's efforts been perfect?
 - Not every technology works everywhere, wasted lots of energy on items that did not work.
 - Low duty cycle applications with "good" or "better" DPM efficiency not yet proven
- What prevents Stillwater from achieving its DPM reduction goal?
 - Need higher DPM efficiency for low duty cycle equipment
 - Current technology for flow through filters at 30% reduction
 - Need NO₂ reducing technologies not reliant upon EGT
 - Bio-Diesel not yet available year 'round due to local infrastructure.